



# CERTIFICATION OF OPEB FUNDING POLICY & GASB 43/45 REPORTING COMPLIANCE

## SECTION I: Asset Allocation Strategy and Discount Rate Selection

### I certify that

1. My agency chooses the following asset allocation strategy  
Select one Asset Allocation Strategy and the corresponding Discount Rate

<u>Asset Allocation Strategy</u>	<u>Discount Rate with <b>NO</b> MFAD adjustment</u>
<input type="checkbox"/> Strategy 1	7.61%
<input type="checkbox"/> Strategy 2	7.06%
<input type="checkbox"/> Strategy 3	6.39%

2. My agency elects to use a Margin for Adverse Deviation (MFAD)

<input type="checkbox"/> No	<input type="checkbox"/> Yes
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\* If "Yes", then identify that MFAD percentage here: 0.\_\_\_\_\_%

3. The discount rate net of MFAD is \_\_\_\_\_%

## SECTION II: ARC Funding

**As the employer, I certify that our funding policy is to contribute consistently an amount that is equal to (select one):**

*(Valuation date should correspond with Item No. 1.0 in Summary of Actuarial Information)*

### Full ARC Funding:

- ☐ 100 % of the ARC as determined in our OPEB valuation (or AMM) dated \_\_\_\_\_, 20\_\_\_\_, which used an average actuarial Discount Rate of \_\_\_\_\_.\_\_\_\_\_%

### Partial ARC Funding:

- ☐ \_\_\_\_\_% of the ARC as determined in our OPEB valuation (or AMM if it applies) dated \_\_\_\_\_, 20\_\_\_\_ which used a blended actuarial Discount Rate of \_\_\_\_\_% where the base short-term investment Discount Rate is \_\_\_\_\_%

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- ☐ We will contribute to the trust using an approach not directly related to the ARC (*In the space provided below, please describe your funding approach and how the approach relates to the average discount rate assumption made by your actuary in the OPEB valuation (or AMM if it applies) dated \_\_\_\_\_, 20\_\_ which used a blended actuarial Discount Rate of \_\_\_\_\_% where the base short-term investment Discount Rate is \_\_\_\_\_%* ):

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### **SECTION III: ARC Contribution Method**

**We plan to contribute toward the ARC in the following manner (select one):**

- ☐ Contribute our full ARC payments to the trust and seek reimbursements for Pay-go costs
- ☐ Contribute our ARC payments to the trust net of Pay-go costs and not seek reimbursements (ARC minus Pay-go = Trust Contribution)
- ☐ Other (Please describe):

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### **SECTION IV: Years of ARC Coverage**

**This OPEB valuation provides ARC amounts for the following periods:**

*(ARC dates should correspond with Item No. 10.0 in Summary of Actuarial Information)*

First Year:      From \_\_\_\_\_, 20\_\_\_\_ through \_\_\_\_\_, 20\_\_\_\_.

Second Year:    From \_\_\_\_\_, 20\_\_\_\_ through \_\_\_\_\_, 20\_\_\_\_.

The California Employers' Retiree Benefit Trust (CERBT) fund plan includes more than 200 members. We understand that, under GASB 43, paragraph 33, as an employer participating in the CalPERS CERBT, we must obtain an actuarial valuation (or AMM if it applies) on at least a **biennial** basis.

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We understand that we will be asked to provide accounting information to CalPERS as required in order to facilitate CalPERS compliance with GASB 43 reporting requirements, and we agree to make any information requested available to CalPERS on a timely basis. Our contact information is noted below.

We understand that CalPERS will provide us with our Statement of Plan Net Assets and our Statement of Changes in Plan Net Assets, which can be used to prepare our GASB 45 reporting. CalPERS will report aggregated GASB 43 information pertaining to the Funded Status and Funding Progress.

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Date of OPEB Valuation (or AMM if it applies)

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Name of Employer

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Printed Name and Title of Person Signing the Form

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Signature

Date

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Designated Employer Contact Name for GASB Reporting

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Phone #

Email Address

**Instructions to complete the form**

# **CERTIFICATION OF OPEB FUNDING POLICY & GASB 43/45 REPORTING COMPLIANCE**

## **SECTION I: Asset allocation Strategy and Discount Rate Selection**

Check the box next to the Asset Allocation Strategy on which you have based your OPEB actuarial valuation or Alternative Measurement Method (AMM) cost report. Each strategy has a different assumed Discount Rate and risk profile. Your CERBT assets will be invested using the Asset Allocation Strategy indicated here.

Check the box to show whether your actuary applied a Margin for Adverse Deviation the expected assumed discount rate for your portfolio. If reducing the expected rate of return for a Margin for Adverse Deviation please indicate the percentage adjustment for the Margin for Adverse Deviation in the location indicated and then indicate the appropriate net rate of return resulting when the full rate of return has been reduced by a selected by your consulting actuary.

***The choices you check off on this form should match those used by your actuary in the OPEB valuation.***

## **SECTION II: ARC Funding**

- If you are fully funding, check the first box indicating the 100% funding, the applicable Discount Rate, and the valuation date.
- If you are funding at less than 100%, check the second box to indicate the percentage of funding [trust contributions plus paygo (and Implicit Rate Subsidy if applicable) divided by ARC], the valuation date, the Discount Rate, and the Base rate used to blend.
- If you are funding at less than 100% and your contributions are not tied specifically to the ARC, then indicate how you expect to contribute. For example, if you intend to make unreimbursed pay-go payments plus a fixed dollar amount to the trust, then describe this in the space provided.

## **SECTION III: ARC Contribution Method**

Here we ask you to indicate how you expect to make contributions to the trust: Full ARC with reimbursements, ARC net of paygo, or something else (please describe).

## **SECTION IV: Years of ARC Coverage**

Generally, your OPEB valuation will provide two years of ARC coverage. Please identify the specific periods to which the ARC applies.